

## **Public Notice**

U.S. Army Corps
Of Engineers
Galveston District

Permit Application No:	SWG-2010-00623
Date Issued:	28 February 2011
Comments Due:	30 March 2011

## U.S. ARMY CORPS OF ENGINEERS, GALVESTON DISTRICT

**PURPOSE OF PUBLIC NOTICE:** To inform you of a proposal for work in which you might be interested. It is also to solicit your comments and information to better enable us to make a reasonable decision on factors affecting the public interest.

**AUTHORITY:** This application will be reviewed pursuant to Section 10 of the Rivers and Harbors Act of 1899 and Section 404 of the Clean Water Act.

**APPLICANT:** Fairways Exploration and Production, LLC.

13430 Northwest Freeway, Suite 800

Houston, Texas 77040-6048

**AGENT:** C. H. Fenstermaker and Associates, Inc.

5005 Riverway Drive, Suite 300 Houston, Texas 77056-2123 Telephone: 713-840-9995 POC: Mr. Robert Ganczak

**LOCATION:** The center point of the project area is located approximately 18 miles southeasterly from Winnie, Texas. The project can be located on the U.S.G.S. quadrangle maps titled: Anahuac, TX, Monroe City, TX, Oak Island, TX, Shiloh, TX, and Whites Bayou, TX. Approximate UTM center point coordinates in NAD 27 (meters) are: Zone 15; Easting: 338740.820; Northing: 3293153.722.

**PROJECT DESCRIPTION:** Fairways Exploration and Production LLC (Fairways) is proposing to conduct a 3D seismic survey project of approximately 80.12 square miles in Chambers and Liberty Counties, TX. This survey, the Monroe City 3D Seismic Survey – Phase II, will provide the client with a high-resolution image of the subsurface geological features that will allow for effective evaluation of hydrocarbon reserves underlying the project area.

The charge depth and configuration proposed for land operations consists of single, 80-foot holes drilled at intervals of 165 feet along each source line within the majority of the project area. Source line spacing is 1,650 feet. Each source location would be loaded with a 2.5-5.0-pound explosive charge, and the hole would be plugged in accordance with state regulations for the prevention of commingling of surface and ground water. Mini-holes may be drilled in wet areas using manportable equipment if access by conventional equipment is not feasible. Should mini-holes be necessary, a five-hole pattern (10-foot holes), using 1/3 pound charges, would be utilized. In open water shot holes of 110-foot depth will be drilled in areas 6 feet or less in depth and loaded with a  $\pm$  7.7 pound explosive charge. In open water areas of greater than 6-foot water depth air guns will be used.

The parameters of the 3D seismic survey are as follows:

- 1. Types of equipment to be used:
  - Highland Rigs (lands in majority of the project area)
  - Man Portable Drills (if necessary within wet areas)
  - Airboats in mud flat areas and shallow open water
  - Shallow draft water barge in open water areas
- 2. Diameter of drill holes: 4 inches
- 3. Size of energy charge: 2.5 5.0 pounds on land (1/3 pound in mini-holes) and 7.7 pound in shallow open water
- 4. Depth of drill holes: 80 feet (10 feet for mini-holes) on land and 110 feet in shallow open water
- 5. 165 feet between source points
- 6. 1650 feet between source lines
- 7. 165 feet between receiver points
- 8. 990 feet between receiver lines

Hand-clearing of vegetation may be necessary along source and receiver lines within some portions of the project area.

The proposed 3D survey requires the deployment of motion sensing devices (geophones or receivers), which would be deployed at regular intervals of 165 feet, with spacing between receiver lines of 990 feet. The enclosed map and plan drawings illustrate locations of source and receiver points.

**BACKGROUND:** Department of the Army Permit SWG-2010-00555, issued 24 September 2011, authorized the collection of 3D seismic data for the first Phase of the Monroe City 3D Survey. This survey avoided all impacts to tidal waters and wetlands. This project known as Phase II of the Monroe City 3D Survey is located on the eastern flank of Phase I and covers an additional 80.12 square miles in Chambers and Liberty Counties, Texas. There is some overlap of Phase I and Phase II for the purpose of data integration.

Fairways intends to retain proprietary data collected within the survey area to explore for and produce hydrocarbons.

Phase III, application has been filed and is designed to cover an additional 186.5 square miles in Chambers, Galveston and Jefferson Counties, Texas, located along the southern border of Phases I and II. Again, some overlap with Phases I and II will occur for the purpose of data integration.

Fairways acknowledges that other projects are being conducted and/or proposed within its area of interest. Fairways has made an attempt to collaborate with those companies [Legends/CGG Veritas and Samson Lonestar, LLC] in order to minimize the potential of cumulative impacts from multiple operations. The parties were unable to reach agreement.

**NOTES:** This public notice is being issued based on information furnished by the applicant. This information has not been verified. The applicant's project plans are enclosed in 24 sheets.

A preliminary review of this application indicates that an Environmental Impact Statement (EIS) is not required. Since permit assessment is a continuing process, this preliminary determination of EIS requirement will be changed if data or information brought forth in the coordination process is of a significant nature.

Our evaluation will also follow the guidelines published by the U.S. Environmental Protection Agency pursuant to Section 404 (b)(1) of the Clean Water Act (CWA).

**OTHER AGENCY AUTHORIZATIONS:** Texas Railroad Commission certification is required.

Texas Coastal Zone consistency certification is required. The applicant has stated that the project is consistent with the Texas Coastal Management Program goals and policies and will be conducted in a manner consistent with said program.

A Texas General Land Office (GLO) permit for seismic operations is required. Application to the GLO is pending.

**NATIONAL REGISTER OF HISTORIC PLACES:** The staff archaeologist has reviewed the latest published version of the National Register of Historic Places, lists of properties determined eligible, and other sources of information. The following is current knowledge of the presence or absence of historic properties and the effects of the undertaking upon these properties:

The applicant has prepared a Sensitive Area Avoidance Plan that is currently being coordinated with the Texas State Historic Preservation Officer.

**THREATENED AND ENDANGERED SPECIES:** Threatened and/or endangered species or their critical habitat may be affected by the proposed work. Consultation with the U.S. Fish and Wildlife and/or the National Marine Fisheries Service will be initiated to assess the effect on endangered species.

**ESSENTIAL FISH HABITAT:** This notice initiates the Essential Fish Habitat consultation requirements of the Magnuson-Stevens Fishery Conservation and Management Act. Our initial determination is that the proposed action would not have a substantial adverse impact on Essential Fish Habitat or Federally-managed fisheries in the Gulf of Mexico. Our final determination relative to project impacts and the need for mitigation measures is subject to review by and coordination with the National Marine Fisheries Service.

**PUBLIC INTEREST REVIEW FACTORS:** This application will be reviewed in accordance with 33 CFR 320-332, the Regulatory Programs of the Corps, and other pertinent laws, regulations and executive orders. The decision whether to issue a permit will be based on an evaluation of the probable impacts, including cumulative impacts, of the proposed activity on the public interest. That decision will reflect the national concern for both protection and utilization of important resources. The benefits, which reasonably may be expected to accrue from the proposal, must be balanced against its reasonably foreseeable detriments. All factors, which may be relevant to the proposal, will be considered: among those are conservation, economics, aesthetics, general environmental concerns, wetlands, historic properties, fish and wildlife values, flood hazards, floodplain values, land use, navigation, shore erosion and accretion, recreation, water supply and conservation, water quality, energy needs, safety, food and fiber production, mineral needs and, in general, the needs and welfare of the people.

**SOLICITATION OF COMMENTS:** The Corps is soliciting comments from the public, Federal, State, and local agencies and officials, Indian tribes, and other interested parties in order to consider and evaluate the impacts of this proposed activity. Any comments received will be considered by the Corps to determine whether to issue, modify, condition or deny a permit for this proposal. To make this decision, comments are used to assess impacts on endangered species, historic properties, water quality, general environmental effects, and the other public interest factors listed above. Comments are used in the preparation of an Environmental Impact Assessment and/or an Environmental Impact Statement pursuant to the National Environmental Policy Act. Comments are also used to determine the need for a public hearing and to determine the overall public interest of the proposed activity.

This public notice is being distributed to all known interested persons in order to assist in developing facts upon which a decision by the Corps may be based. For accuracy and completeness of the record, all data in support of or in opposition to the proposed work should be submitted in writing setting forth sufficient detail to furnish a clear understanding of the reasons for support or opposition.

**PUBLIC HEARING:** Prior to the close of the comment period any person may make a written request for a public hearing setting forth the particular reasons for the request. The District Engineer will determine whether the issues are substantial and should be considered in the permit decision. If a public hearing is warranted, all known interested persons will be notified of the time, date, and location.

**CLOSE OF COMMENT PERIOD:** All comments pertaining to this public notice must reach this office on or before **30 March 2011**. Extensions of the comment period may be granted for valid reasons provided a written request is received by the limiting date. **If no comments are received by that date, it will be considered that there are no objections**. Comments and requests for additional information should be submitted to:

Mr. Brian J. Bader Regulatory Branch, CESWG-PE-RE U.S. Army Corps of Engineers P.O. Box 1229 Galveston, Texas 77553-1229 409-766-3037 Phone 409-766-6301 Fax

> DISTRICT ENGINEER GALVESTON DISTRICT CORPS OF ENGINEERS